



## Pickle Card Operator Information Guide and Application

This guide has been developed to provide a basic overview of the laws and regulations which govern businesses and organizations licensed as pickle card operators in Nebraska. This guide supplements the information contained in the Nebraska Pickle Card Lottery Act and the Pickle Card Regulations. Important rules of play for selling pickle cards to the public are contained in the regulations and should be thoroughly reviewed by you and all of your employees who will be selling and redeeming pickle cards.

**SELLING PICKLE CARDS IN NEBRASKA.** All pickle cards sold to the public in Nebraska are sold on behalf of nonprofit organizations which are licensed by the Nebraska Department of Revenue, Charitable Gaming Division. All pickle cards legally sold in Nebraska are required to be imprinted by a licensed distributor with the name and state identification number of the licensed organization on whose behalf the cards are being sold.

**LICENSE ELIGIBILITY.** In order to qualify for a pickle card operator's license, the applicant must hold a retail license for the sale of alcoholic liquor for consumption on the premises or a retail license for the sale of alcoholic liquor for consumption off the premises issued by the Nebraska Liquor Control Commission. The biennial fee for a pickle card operator license is \$100 and the fee must be paid by the applicant. The fee may not be paid on the applicant's behalf by the licensed organization which intends to sell pickle cards at the applicant's business location nor may the applicant be reimbursed the fee by the licensed organization. All pickle card operator licenses expire on September 30 of each odd-numbered year. License renewal applications must be submitted to the Charitable Gaming Division at least 60 days prior to the expiration date of the license. License fees are due in full for the biennial licensing period. However, if a new license application is received by the Department and the license will become effective on or after October 1 of the second year of the biennial licensing period, the license fee to be remitted to the Department is one-half of the biennial fee. A pickle card operator's license is not transferable if the business is sold.

**AUTHORIZATION TO SELL PICKLE CARDS.** A pickle card operator's license entitles the business to sell pickle cards for any number of licensed organizations; however, before selling pickle cards for a particular organization, the pickle card operator must be authorized to do so by the Charitable Gaming Division. A licensed organization must apply for and obtain a "Pickle Card

Operator Authorization" from the Charitable Gaming Division for each pickle card operator location which has agreed to sell the organization's pickle cards. This requires the organization to complete and submit a Nebraska Schedule II - Authorization for Pickle Card Operator, Form 50. An owner, officer, member, or partner of the business licensed as a pickle card operator must sign the application, signifying his or her willingness to sell pickle cards on behalf of the organization. There is no fee required to obtain the authorization. The Pickle Card Operator Authorization is mailed to the licensed organization. The licensed organization is responsible for delivering the authorization to the location of the pickle card operator and ensuring that the authorization is prominently displayed. **A business which has obtained a pickle card operator's license may not sell individual pickle cards on behalf of a licensed organization until such time as it has physical possession of both a pickle card operator's license and an authorization from the licensed organization for which it intends to sell pickle cards.**

**PURCHASING PICKLE CARDS UNITS — SALES AGENTS.** Pickle cards are sold to pickle card operators in the form of a "unit." The only person who is authorized to sell pickle card units to a pickle card operator is the licensed organization's sales agent. This is an individual who has been licensed by the Charitable Gaming Division to market pickle card units to pickle card operators on behalf of a licensed organization. A pickle card operator **MUST** purchase all of its pickle card units through a licensed sales agent. Pickle card operators must pay for all pickle card units either in advance or upon delivery. The extension of credit in any form is strictly prohibited. Unless otherwise specifically authorized by the Charitable Gaming Division, pickle card units must be paid for by a check drawn on either the business account of the pickle card operator or the personal account of an owner, partner, member, or corporate officer of the business. The cost of a pickle card unit will vary depending on the type of

pickle cards sold. The pickle card operator's cost is the difference between the definite profit of the unit and the pickle card operator's commission. The definite profit of a pickle card unit is the total possible receipts from the sale of all pickle cards in the unit less all of the possible prizes. The purchase of a pickle card unit must be receipted by the sales agent on a standard receipt form supplied by the Charitable Gaming Division. A copy of this receipt is left with the pickle card operator and must remain at the location where pickle cards are sold until the unit is completely sold or removed from play. Sales receipts must be available for inspection by Charitable Gaming Division personnel.

**AGE RESTRICTIONS.** No one under 18 years of age is permitted to buy, sell, or play pickle cards. It is unlawful for a pickle card operator or its employees or agents to knowingly allow someone under 18 years of age to buy, sell, or play pickle cards.

**PICKLE CARD OPERATOR COMMISSION.**

Pickle card operators may be paid a commission by a licensed organization for selling pickle card units on its behalf. The commission cannot exceed thirty (30) percent of the definite profit of the pickle card unit. This is the MAXIMUM amount a pickle card operator may receive. A licensed organization or sales agent cannot provide any further type of compensation, directly or indirectly, to a pickle card operator as an inducement for the pickle card operator's agreement to sell that organization's pickle cards. Other types of illegal inducements include offering to make a donation to the pickle card operator's sports teams or favorite charity, offering to pay license fees for the operator, and offering or providing pickle card dispensing devices to the operator free of charge or for a rate less than fair-market value.

**PICKLE CARD DISPENSING DEVICES.** Pickle card operators are permitted to sell individual pickle cards to the public through a coin or currency-operated pickle card dispensing device. A pickle card operator may purchase, lease, or rent a dispensing device from a licensed organization, licensed distributor, licensed manufacturer, or any other business which supplies such devices. If the pickle card operator purchases, leases, or rents a device from a licensed organization or licensed distributor, it must be at a rate not less than fair market value. There must be a written agreement between the

pickle card operator and the licensed organization and the agreement is subject to approval by the Charitable Gaming Division. All pickle card dispensing devices must be registered with the Charitable Gaming Division prior to their use. The annual registration fee is \$50 per device. The responsibility for registration of the device and payment of the fee is based upon where the device is being used and not who owns the device. Upon payment of the fee, a registration decal is issued by the Charitable Gaming Division which must be permanently affixed to the device. The decal is valid from the date of issuance until December 31 of each year. An application for renewal of the device registration must be submitted to the Charitable Gaming Division by November 15 of each year. Any person who places a pickle card dispensing device in operation without a current registration decal conspicuously and permanently affixed to the device is subject to an administrative penalty of \$30 and the device may be sealed or seized by the Charitable Gaming Division.

**TAXES.** There is a state pickle card tax of 10 percent of the definite profit on each pickle card unit sold; however, this tax is paid by the licensed distributor from which the licensed organization purchases its pickle card units. The distributor collects the tax from the organization as part of the selling price of the unit. Likewise, the distributor also collects sales tax from the licensed organization on the selling price of the unit. Pickle card operators do not have to charge sales tax on the sale of individual pickle cards to the public.

**FEDERAL FILING REQUIREMENTS.** Pickle card operators are required to file with the Internal Revenue Service (IRS) an Occupational Tax and Registration Return for Wagering, Form 11-C, for each person who sells individual pickle cards or pays winning pickle cards. For more information regarding this filing, you should contact the Excise Tax Division of the IRS in Omaha, Nebraska at (402) 361-0227.

**FOR MORE INFORMATION.** If you have questions, contact the Charitable Gaming Division of the Nebraska Department of Revenue, 301 Centennial Mall South, P.O. Box 94855, Lincoln, Nebraska 68509-4855, telephone (402) 471-5937 or toll free (877) 564-1315. Information on the sale of pickle cards is also available on the Department's Web site at [www.revenue.ne.gov/gaming](http://www.revenue.ne.gov/gaming).



# Nebraska Application for Pickle Card Operator

FORM  
50D

- Include \$100 license fee
- Incomplete applications will be returned

PLEASE DO NOT WRITE IN THIS SPACE

1 Do you hold or have you previously held a Nebraska identification number? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, give number _____	2 Federal Employer I.D. Number or Social Security Number _____	3 County of Business Location in Nebraska _____
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4 Type of Application  
☐ New ☐ Report Changes ☐ Renewal ☐ Cancel (Please Enclose License)

BUSINESS NAME AND LOCATION ADDRESS		BUSINESS NAME AND MAILING ADDRESS	
Name		Name	
Trade Name of Business (If Different Than Above)		Street or Other Mailing Address	
Street Address		City	State Zip Code
City	State Zip Code		

5 Type of Ownership  
☐ Sole Proprietorship ☐ Domestic Corporation ☐ Foreign Corporation ☐ Limited Liability Company  
☐ Partnership ☐ Domesticated Corporation ☐ Nonprofit Corporation or Organization ☐ Other: \_\_\_\_\_

6 Liquor License Information  
Class of Liquor License: \_\_\_\_\_ Liquor License Number: \_\_\_\_\_  
a. If purchasing an existing business, have you filed a Temporary Agency Agreement and a Liquor License Application with the Nebraska Liquor Control Commission?  
☐ YES ☐ NO Liquor License Number of Former Owner: \_\_\_\_\_  
b. Description of premises covered by liquor license (Attach Additional Sheet If Necessary): \_\_\_\_\_

**Your social security number and date of birth are required under the Nebraska Pickle Card Lottery Act, and will be used to request criminal history information from law enforcement agencies to determine if the legal requirements for a pickle card operator's license are met.**

7 Ownership Information:  
List the social security number, name, address, date of birth, type of involvement, and percentage of ownership for each of the following persons involved with the applicant:  
a. If a sole proprietorship, list the individual owner.  
b. If a partnership, list each partner and spouse.  
c. If a corporation, list each officer and spouse and each person or entity holding ten percent or more of the debt or equity of the applicant corporation. If any entity holding ten percent or more of the debt or equity of the applicant corporation is a partnership, limited liability company, or corporation, list each partner of such partnership, each member of such limited liability company, or each officer of such corporation and every person or entity holding ten percent or more of the debt or equity of any such partnership, limited liability company or corporation.  
d. If a limited liability company, list each member and spouse.  
e. If a nonprofit organization or nonprofit corporation, list each officer and the person designated as manager.  
(Attach Additional Sheet if Necessary)

Social Security Number	Name, Address, City, State, Zip Code	Date of Birth	Type of Involvement and Percentage of Ownership

8 Do any of the individuals listed in line 7 have any interest, directly or indirectly, with any distributor or manufacturer of pickle card units licensed in Nebraska?  
☐ YES ☐ NO If Yes, attach a detailed explanation of the individuals involved and the nature of such interests.

9 Is anyone listed in line 7 licensed as a sales agent or utilization of funds member of an organization licensed to conduct a lottery by the sale of pickle cards in Nebraska?  
☐ YES ☐ NO If Yes, attach a list of the names of the individuals and the corresponding licensed organizations involved.

10 Is anyone listed in line 7 a director, manager, trustee, or member of the governing committee, board, or body of the licensed organization for which you will be selling pickle cards?  
☐ YES ☐ NO If Yes, attach a list of the names and responsibilities of the individuals and the corresponding licensed organizations involved.

11a Has anyone listed in line 7 ever been convicted of, forfeited bond upon a charge of, or pled guilty or nolo contendere to any felony or misdemeanor **at any time** involving any gambling activity or fraud, theft, willful failure to make required payments or reports, or filing false reports with a government agency at any level? This includes shoplifting or issuing bad checks.  
☐ YES ☐ NO If Yes, see instructions.

11b Has anyone listed in line 7 ever been convicted of, forfeited bond upon a charge of, or pled guilty or nolo contendere to any other felony within ten years preceding the date of this application?  
☐ YES ☐ NO If Yes, see instructions.

12 Does anyone else not listed in line 7 have an ownership interest in the business named in this application? (See Instructions)

☐ YES ☐ NO

If Yes, indicate the Name, Address, Social Security Number, Date of Birth, and Title of the individual(s) involved and the nature of such interest.

13 Name of Person to Contact Regarding This Application:

Name

Title

Daytime Telephone Number

( )

Under penalties of law, I declare that I have examined this application, and to the best of my knowledge and belief, it is correct and complete. I will comply with all of the provisions of the Nebraska Pickle Card Lottery Act and the regulations adopted under such Act.

Home ( )

sign  
here

Signature of **Owner, Partner, Officer or Member**  
listed in line 7, or Person Authorized by  
Attached Power of Attorney

Title

Date

Work ( )

Telephone Numbers

Mail the original application and \$100 fee to:

**NEBRASKA DEPARTMENT OF REVENUE, CHARITABLE GAMING DIVISION, P.O. BOX 94855, LINCOLN, NE 68509-4855**  
**PLEASE MAKE A COPY FOR YOUR RECORDS.**

## INSTRUCTIONS

**WHO MUST FILE.** Any sole proprietorship, limited liability company, partnership, or corporation which desires to sell individual pickle cards on behalf of an organization licensed to conduct a lottery by the sale of pickle cards in Nebraska must apply for and obtain a pickle card operator's license.

**ELIGIBILITY CRITERIA.** In order to qualify for a pickle card operator's license, the applicant must hold a retail license for the sale of alcoholic liquor for consumption on the premises or a retail license for the sale of alcoholic liquor for consumption off the premises issued by the Nebraska Liquor Control Commission.

**WHEN AND WHERE TO FILE.** A business which has not been licensed before, may submit the application at any time during the licensing period. All pickle card operator licenses expire on September 30 of each odd-numbered year and may be renewed biennially. All applications for license renewal must be submitted at least 60 days prior to the expiration date of the license. License fees are due in full for the biennial licensing period. However, if a new license application is received by the Department and the license will become effective on or after October 1 of the second year of the biennial licensing period, the license fee to be remitted to the Department is one-half of the biennial fee. Checks written to the Department of Revenue may be presented electronically.

The license application and fee are to be mailed to the Nebraska Department of Revenue, Charitable Gaming Division, P.O. Box 94855, Lincoln, Nebraska 68509-4855. File the original application and not a photocopy. Please make a copy of the application for your records.

This license application may also be used during the licensing period to report changes in the application information originally submitted or to cancel the license. If requesting cancellation of the license, please include the original license certificate issued by the Department.

**SCOPE OF PICKLE CARD OPERATOR'S LICENSE.** The pickle card operator's license is valid for the business in whose name it was issued, including all employees and agents of the business at that location. A pickle card operator's license may not be transferred under any circumstances, including change of ownership.

### SPECIFIC INSTRUCTIONS

**BUSINESS NAME AND LOCATION ADDRESS.** Enter the name, trade name (if applicable), and location of the business or organization applying for the pickle card operator's license. The pickle card operator's license is valid only for the location indicated.

**BUSINESS NAME AND MAILING ADDRESS.** Enter the name and mailing address to which all information concerning pickle card operators and the conduct of a lottery by the sale of pickle cards should be mailed.

**LINE 4.** Indicate the type of application: new, renewal, report changes, or cancel. If cancellation is requested, the original license certificate must be returned to the Department with the cancellation request.

**LINE 5 TYPE OF OWNERSHIP.** Enter the type of ownership of your business or organization. Partnership includes all types of partnerships such as general, limited, and joint ventures. A domestic corporation is a corporation which is organized under the laws of Nebraska and has qualified to do business in this state. A foreign corporation is a corporation which is organized under the laws of another state. A domesticated corporation is a foreign corporation that has been domesticated in accordance with Nebraska law. A nonprofit organization or

corporation is one in which no part of the income is distributed to its members, directors, or officers.

**LINE 6.** Indicate the class(es) of liquor license held by your business or organization and the license number(s) assigned by the Nebraska Liquor Control Commission.

If you are currently operating the business named in this application under a Temporary Agency Agreement filed with the Nebraska Liquor Control Commission, indicate the liquor license number of the former owner.

Provide a brief description of the building or portion of the building where pickle cards will be sold. A pickle card operator's license is valid for the area covered by the liquor license except for any outdoor area. For example: 1810 West 10<sup>th</sup> Street - East portion approximately 50' x 100' of main floor of three story building.

**LINES 9 AND 10.** The Nebraska Pickle Card Lottery Act prohibits a sole proprietor, partner in a partnership, officer or director of a corporation, or member in a limited liability company licensed as a pickle card operator from holding a license as a sales agent or serving as a director, manager, trustee, or member of any governing committee, board, or body of the licensed organization for which the pickle card operator sells individual pickle cards. If such conflict exists, provide the name(s) of the individuals involved, the name(s) of the licensed organizations affected, and an indication of the nature of the individual(s) involvement.

**LINES 11a AND 11b.** If you answered "Yes", to the extent such information is available, provide the date and place the incident occurred, the court case or docket number under which it is filed, the original charge or ultimate disposition of the matter, and a description of the events which are the subject of the incident. If you fail to answer the question, your license application will be returned to you and the issuance of your license may be delayed. Failure to disclose a material fact the Department on your license application may also be considered grounds for license application denial.

**LINE 12.** Identify any individuals not listed in line 7 which have an ownership interest in the business named in the application. Ownership interest means a right to share in the profits, losses, or liabilities of the business and includes loan guarantors who make actual debt payments for or contribute capital to an operation with a contingent right to share in the profits, losses, or liabilities of the operation. **Do not include any stockholder holding less than 10 percent of the stock of the corporation or any financial institution organized or chartered under the laws of Nebraska, any other state, or the United States relating to banks, savings institutions, trust companies, savings and loan associations, credit unions, installment loan licensees, or similar associations organized under the laws of Nebraska and subject to supervision by the Department of Banking and Finance.**

**AUTHORIZED SIGNATURES.** The Nebraska Application for Pickle Card Operator, Form 50D, must be signed by an owner, partner, officer, or member listed in line 7, or a person authorized by an attached Power of Attorney.

Any questions regarding the completion of the application may be addressed to the Nebraska Department of Revenue, Charitable Gaming Division, P.O. Box 94855, Lincoln, NE 68509-4855, or telephone (402) 471-5937 or toll free (877) 564-1315.